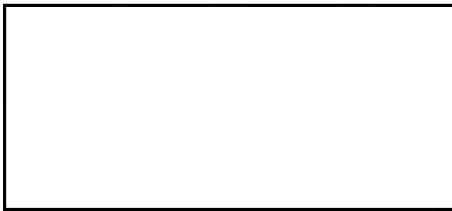


~~TOP SECRET~~

25X1



3 December 1955

25X1

Copy No. 100

CD/ED

CURRENT INTELLIGENCE BULLETIN

DOCUMENT NO. 17
NO CHANGE IN CLASS.
L1 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH. HR 70-2
DATE: 6 JAN 1980 REVIEWER: 

25X1

25X1

DOS
REVIEW
COMPLETE

Office of Current Intelligence

DIA review(s)
completed.

CENTRAL INTELLIGENCE AGENCY



25X1

~~TOP SECRET~~

25X1

Approved For Release 2004/03/11 : CIA-RDP79T00975A002300170001-7

Approved For Release 2004/03/11 : CIA-RDP79T00975A002300170001-7

25X1A **CONTENTS**

1. HUNGARIAN MORALE AT LOW EBB (page 3).
2. BURMESE COMMUNISTS PUBLICLY OFFER TO SURRENDER (page 4).
3. NEW FIGHTING IN LAOS MAY BE IMMINENT (page 5).
4. PREMIER ADMITS POSSIBILITY OF ARMED CONFLICT IN BANGKOK (page 6).
5. BRITISH AUTHORITIES IN SINGAPORE CONSIDER SUSPENDING CONSTITUTION (page 7).
6. ECUADOR MAY BREAK RELATIONS WITH CZECHOSLOVAKIA (page 8).
7. (Redacted)
8. BRAZILIAN LABOR PARTY MAY UNDERTAKE PURGE OF COMMUNISTS (page 10).

25X1

* * * *

THE ARAB-ISRAELI SITUATION
(page 11)

1. HUNGARIAN MORALE AT LOW EBB

25X1A

[Redacted]

The American legation in Budapest reports that recent international and domestic developments, including the documented Soviet announcement that the

USSR possesses the H-bomb, "have plunged the Hungarian public into the most dejected state of mind observed in many months." The people fear that the stress on industry at the recent National Assembly meeting means that they will have to make greater individual sacrifices. They feel that the two Geneva conferences this year have demonstrated that the iron curtain is still firmly in place.

The legation is concerned over the possibility that the Hungarian people, their hopes for liberation shattered, will become resigned to living under Communism and will increase their labor effort and their support of the regime's program in order to better their own living standards.

Comment

Party leader Rakosi's success during the past six months in tightening party, labor and civil discipline, coupled with the loss of popular hope for liberation, has led to a sharp drop in public restiveness and resistance. This was particularly evident in the lack of peasant opposition to the regime's crop collection this fall.

25X1A

2. BURMESE COMMUNISTS PUBLICLY OFFER TO
SURRENDER

25X1A

[Redacted]

The insurgent Burma Communist Party, in a move coinciding with the arrival of Bulganin and Khrushchev, has reportedly made a public offer to surrender under the following conditions: (1) that Burma not enter into any pact with the Anglo-American bloc; (2) that all political prisoners be released after a certain date; and (3) that Communist parties and "other Democratic groups in Burma" be accorded full constitutional freedoms.

25X1

[Redacted]

The military position of the Burma Communist Party, the only significant insurgent Communist group in Burma, has been increasingly deteriorating. The re-emergence of this party as a political entity would permit the Communists to broaden their country-wide political network and thus improve their prospects in the April national elections. [Redacted]

25X1A

25X1A

3. NEW FIGHTING IN LAOS MAY BE IMMINENT

25X1A

[Redacted]

Laotian government officials anticipate an early offensive by the Communist Pathet Lao designed to interfere with the National Assembly elections on 25 December. Royal forces, for their part, are considering military action of their own shortly after the elections, in an attempt to re-establish control in the north; they would, however, respond vigorously to any Communist attack prior to the elections.

The American army attaché in Vientiane has received reports of an increased flow of ammunition to the Pathet Lao and of training with heavy weapons, possibly indicating plans for an offensive. He believes, however, that Pathet morale and operational capability are at their lowest level in months, citing reports that battalions are understrength, short of food, and in some cases politically unreliable, and that Pathet forces are facing increasing resistance from the local populace.

The attaché believes royal government troops could--assuming concentration of their forces, an assured airlift resupply capability, and nonintervention by Viet Minh units--successfully destroy or drive out the Pathet Lao.

It is probable, however, that in any action that threatened to destroy the present Communist hold over northern Laos, the Viet Minh would commit sufficient troops to maintain the Pathet position.

25X1A

Approved For Release 2004/03/11 : CIA-RDP79T00975A002300170001-7

4. PREMIER ADMITS POSSIBILITY OF ARMED CONFLICT IN BANGKOK

25X1A

[Redacted]

Premier Phibun acknowledged to the American chargé on 1 December the possibility that the present political crisis in Bangkok may lead to armed

conflict. He said the recent army alerts followed threatening letters to General Sarit, allegedly sent by supporters of Police Director General Phao. He did not implicate Phao directly and denied rumors that the police chief would leave the country.

In a conversation with the American army attaché, Sarit gave substantially the same explanation for the current uneasiness. He insisted the army would not be used to settle political disputes as long as he commanded it.

Comment

Phao would probably not be averse to encouraging fears of assassination by his gunmen; but it is still questionable whether he is ready to resort to drastic measures to retrieve his political position.

Tension continues high in Bangkok, however, and armed strife is an ever-present possibility. It would most likely be initiated by the Phao forces to offset further moves by Phibun to reduce the police chief's power and status.

5. BRITISH AUTHORITIES IN SINGAPORE CONSIDER SUSPENDING CONSTITUTION

25X1A



The acting chief secretary of the Singapore government has privately informed the American consulate general that British authorities are considering suspending the colony's constitution if

the political situation continues to deteriorate. He speculated that such action might help the moderate and conservative political groups to strengthen themselves, while left-wing elements would be suppressed.

The British official said that Chief Minister David Marshall recently had wanted to resign because his government was sustained only by the votes of British officials in the legislature. He was persuaded, however, to remain in office and proceed with his visit to London to discuss greater self-government.

Comment

The British would suspend the Singapore constitution only if necessary to thwart establishment of a pro-Communist government. Communist influence has been growing in Singapore for some time.

Marshall can be expected to be attacked for "selling out" when he returns from London--no matter what he achieves. Such attacks might force his resignation and bring on new elections in which the Communists would probably make substantial gains.

25X1A

Approved For Release 2004/03/11 : CIA-RDP79T00975A002300170001-7

6. ECUADOR MAY BREAK RELATIONS WITH CZECHOSLOVAKIA

25X1A

The Ecuadoran government is seriously thinking of breaking relations with Czechoslovakia, according to the Ecuadoran minister of the treasury. The minister told American chargé Wieland on 30 November that his government was convinced that the Czech legation in Quito was "up to its ears" in the recent student riots.

25X1

Comment

Ecuador, following repeated Czech requests, agreed in September 1954 to the appointment of a career diplomat to the Czech legation in Quito which previously had been headed by an individual the Ecuadorans considered "more or less harmless." Ecuador appeared to be motivated primarily by the desire to acquire arms.

25X1

Over the past year Czechoslovakia has expanded its diplomatic and trade representation in Ecuador.

One of the two professors whose transfer led to the recent student disturbances in Quito is the finance secretary of the executive committee of the Ecuadoran Communist Party.

The only other country of the Sino-Soviet bloc with which Ecuador has diplomatic relations is Poland, whose minister in Mexico is accredited to Quito.

25X1A

25X1

Approved For Release 2004/03/11 : CIA-RDP79T00975A002300170001-7

Approved For Release 2004/03/11 : CIA-RDP79T00975A002300170001-7

25X1A

**8. BRAZILIAN LABOR PARTY MAY UNDERTAKE PURGE
OF COMMUNISTS**

25X1A

[redacted] the American embassy in Rio de Janeiro has reported that moderate elements in the Brazilian Labor Party, led by party vice president Souza Naves, are working toward an eventual purge of Communists and sympathizers from party ranks. [redacted] Joao Goulart, party head and vice president-elect of Brazil, "appeared agreeable" to such action.

25X1

25X1

The embassy notes that a statement of 29 November by Goulart's press agent predicted a showdown between Goulart and the Communists. The statement warned that Goulart must either oppose the Communists or lose his labor support to them. The embassy believes this statement was made in the hope of making Goulart less objectionable to the military and to conservatives.

Comment

Goulart has in the past, particularly when he was labor minister under Vargas and during the recent election, appeared willing to work with Communists. It is probable, however, that he would take an anti-Communist stand now if convinced that the advantages to him would far outweigh the disadvantages.

The press statement reported above may be part of an effort to remove the pro-Communist stigma from the incoming Brazilian administration, which is expected to make an early approach for sizable US financial aid.

25X1A

THE ARAB-ISRAELI SITUATION

25X1A (Information as of 1700, 2 December)

25X1A

Small-scale fighting between Egyptian and Israeli forces occurred in the southwest Gaza strip area on 1 December. Each side has charged the other with opening fire.

25X1A

Recent statements by top-level Israeli officials that Israel's chances of winning a war against the Arabs are rapidly diminishing and that Israel "could fall victim to enemy armies within 48 to 72 hours" are probably designed to encourage favorable decisions in the Western world on arms sales and financial contributions. However, according to the American embassy in Tel Aviv, the statements have alarmed the Israeli public and have evoked strong criticism from the press, some journals accusing the government of preparing the ground for "a new Munich."

25X1A

25X1

The Jordanian Foreign Ministry has informed the American embassy in Amman that the political committee of the Arab League will meet after 15 December to discuss British prime minister Eden's statement on Arab-Israeli relations. Despite the mildly favorable reaction of several Arab states to Eden's 9 November speech, this meeting will probably produce little more than a call for implementation of the 1947 UN resolutions on Palestine.

25X1A